



# Special Notice

WASHINGTON STATE DEPARTMENT OF REVENUE

AUG 17, 2015

## Amnesty for Unclaimed Property Holders and Administrative Changes

New legislation makes several changes affecting holders of unclaimed property. ([Senate Bill 6057](#) Part XXI; Chapter 6 Laws of 2015.)

### Unclaimed Property Holders May Qualify for Amnesty

Qualifying unclaimed property holders may get a waiver of penalty and interest for prior unreported periods if they report and pay outstanding unclaimed property prior to November 1, 2016. An unclaimed property holder may qualify for a waiver of penalties and interest if prior to November 1, 2016 they:

1. Complete an application for a penalty and interest waiver;
2. File a report that includes all property for which the waiver is requested; and
3. Pay and deliver all amounts identified on the report.

All amounts reported, paid, and delivered are subject to verification by the Department. A holder may not:

- Receive amnesty for any amounts included in an assessment or identified through an investigation or examination.
- Seek a refund for any amounts paid or delivered to the Department under amnesty or otherwise challenge whether such amounts were properly due.
- Receive amnesty for any amounts paid, delivered, or reported to the department prior to July 1, 2015.

The Department will publish details regarding how to report and apply for amnesty. Sign up to get the latest information as it becomes available via the Unclaimed Property (UCP) Holder Notification email ListServ at [http://ucp.dor.wa.gov/ucp\\_con\\_email\\_listserv.aspx](http://ucp.dor.wa.gov/ucp_con_email_listserv.aspx).

### Unclaimed Property Holders Must File and Pay Electronically

Beginning July 1, 2016, unclaimed property holders must file and pay reports electronically. The Department may relieve any holder from these requirements for

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good cause as determined by the Department.

## **Changes to Unclaimed Property Penalties**

Beginning July 1, 2016, the penalty provisions are restructured as follows (penalties apply based on amounts unpaid and the value of any property not delivered unless otherwise noted):

- 10% for failure to file an Unclaimed Property Report or pay or deliver property under a report by the due date.
- 10% when an examination results in an assessment for amounts unpaid or property not delivered.
- 5% for failure to pay property under an assessment by the due date.
- 5% of amounts payable or deliverable under the report for failure to file and pay electronically when required.

Note: These penalties are cumulative.

## **Unclaimed Property Administrative Changes**

The new legislation also makes several changes to how the Department administers unclaimed property:

- Clarifies that gift certificates presumed abandoned and compliant with gift certificate laws do not need to be reported as unclaimed property.
- Allows the Department's publication of Notice to Owners of Unclaimed Property to be included in either a printed or online version of a newspaper that is in general circulation within this state.
- Allows the Department to forgo mailing notice to the apparent owner of the unclaimed property if the address on file appears to be insufficient for mailing purposes.
- Establishes a three year statute of limitations for enforcement actions on assessments.
- Provides that information obtained during a holder examination is confidential.
- Establishes a refund process for holders of unclaimed property.
- Establishes an internal appeals process and a process to appeal through the Thurston County Superior Court.
- Clarifies the Department's authority to enter into settlement agreements with holders of unclaimed property.

These administrative changes were effective July 1, 2015.